

## PURCHASED GAS ADJUSTMENT CLAUSE

CONSUMERS GAS COMPANY                      GAS CHARGE  
 FOR THE EFFECTIVE MONTH OF MAY 2004  
 (Including Estimated Costs and Terms for the Base Period  
 MAY 1, 2004 THRU MAY 31, 2004)

SCHEDULE I  
 RECOVERABLE GAS COSTS AND CALCULATION OF GAS CHARGE

Line No. (A)	Description (B)	Estimated Amount (C)	TOTALS (D)	Reference (E)
ESTIMATED RECOVERABLE GAS COSTS				
Gas Costs by Type/Supplier				
1.	a. Reservation Charges TEXAS EASTERN	\$ 17,000		
	b. Transportation Costs TEXAS EASTERN	3,300		
	c. Transportation Costs GRAYVILLE	400		
	d. Transportation Costs -EGYPTIAN GAS STORAGE CORP.	850		
	e. Gas- WOODWARD MARKETING	110,600		
	f. Local Gas-EGYPTIAN GAS STORAGE CORP.	0		
	g. Storage Contract-EGYPTIAN GAS STORAGE CORP.	9,000		
2.	TOTAL GAS COSTS		\$ 141,150	Sum Lines 1a - 1f
3.	Less: Gas used by Company	(\$ 500 )		
4.	a. Add: Gas Withdrawn from Storage	2,800		
	b. Less: Gas Injected into Storage	( )		
5.	a. Less: Off System Transactions Revenues	( )		
6.	b. Less: Penalty/Imbalance Charge Revenues	( )		
7.	a. Less: "Cash-Out" Schedule Revenues	( )		
	b. Add: "Cash-Out" Schedule Costs	( )		
8.	TOTAL OTHER COSTS/REVENUES		2,200	Sum Lines 3 - 7
9.	TOTAL ESTIMATED RECOVER- ABLE GAS COSTS (FACTOR G)		\$ 143,350	Line 2 + Line 8
CALCULATION OF GAS CHARGE				
10.	Adjustment To Gas Costs Attributable to Base Period Period (Factor A)		\$ 24,082	SCHEDULE II, LINE 10
11.	Ordered Under/(OVER) Recovery Attributable to Base Period (Factor O)		\$	SCHEDULE IV, LINE 10
12.	Total of Factors G, A, and O		\$ 167,432	Sum Lines 9 - 11
13.	Estimated Base Period Applicable Terms (Factor T)		191,000	
14.	GAS CHARGE (CENTS/THERM)		87.6607	(LINE 12/LINE 13) X 100

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## SCHEDULE II

Line No. (A)	Description (B)	Amount (C)	Totals (D)	Reference
ADJUSTMENTS TO GAS COSTS (FACTOR A)				
OTHER ADJUSTMENTS				
1.	Total Actual Recoverable Gas Costs for the Prior Period <u>      </u> MARCH 2004	\$ 439,040.33		Schedule III, Line 9
2.	Actual Purchased Gas Adjustment Recoveries for the Prior Period <u>      </u> MARCH 2004	421,461.41		
3.	UNDER/(OVER) RECOVERY OF GAS COSTS FOR THE PERIOD <u>      </u> MARCH 2004		\$ 17,578.92	Line 1 Less Line 2
4.	Amount of Factor A Included in Setting the Gas Charge Rate on Schedule 1 for the Effective Month of <u>      </u> MARCH 2004		+ - 59,589	
5.	Amount of Factor O Included in Setting the Gas Charge Rate on Schedule 1 for the effective Month of <u>      </u> MARCH 2004		+ - (53,221)	Prior Period Schedule 1, Line 11
6.	ADJUSTED UNDER/(OVER) RECOVERY FOR <u>      </u> MARCH 2004		23,958.93	Sum Lines 3 - 5
7.	Refunds/Pipeline Surcharges/Other Adjustments (provide schedule and/or supporting documentation)		+ - 0.00	
8.	Total Unamortized Balance of Adjustment Factors, Including Interest, from Schedule II for Previous Filing Month		+ 0 - 100,125.00	Previous Filing Month Schedule II, Line 15
9.	TOTAL ADJUSTMENTS TO GAS COSTS (BEFORE AMORTIZATION)*		124,081.93	Sum Lines 6 - 8
* If amortization is necessary, supply method of amortization and amortization schedule.				
10.	TOTAL AMORTIZED ADJUSTMENTS TO GAS COSTS (FACTOR A)--TO SCHEDULE I		24,081.93	Line 9 or Amortization Schedule Amount
11.	Unamortized Balance of Factor A	\$ 100,000		Line 9 Less LINE 10
12.	Unamortized Balance of Factor O			Schedule IV, Line 5
13.	TOTAL UNAMORTIZED BALANCES	\$ 100,000		
14.	Interest Calculated at Monthly Interest Rate Currently in Effect 1.5%	125		Line 13 X Percentage Rate
15.	TOTAL UNAMORTIZED BALANCES INCLUDING INTEREST		\$ 100,125	Sum Lines 13 - 14
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SCHEDULE III  
ADJUSTMENTS TO GAS COSTS (FACTOR A)

Line No. (A)	Description (B)	Amount (C)	Totals	Reference (D)
	ACTUAL RECOVERABLE GAS COSTS FOR THE PERIOD MARCH 2004			
1.	a. Reservation Charges TEXAS EASTERN	15,130.85		
	b. Transportation Costs TEXAS EASTERN	(46,844.92)		
	c. Transportation Costs GRAYVILLE	1,825.74		
	d. Transportation Costs --EGYPTIAN GAS STORAGE	1,081.50		
	e. Gas-- WOODWARD MARKETING	374,709.18		
	f. Local Gas--EGYPTIAN GAS STORAGE			
	g. Storage Contract--EGYPTIAN GAS STORAGE	12,016.35		
2.	TOTAL ACTUAL GAS COSTS		\$ 367,918.70	Sum Lines 1a - 1e
			0	
3.	a. Less: Gas used by Company	( 3,132.00 )		
4.	a. Add: Gas Withdrawn from Storage	84,253.63		
	b. Less: Gas Injected into Storage	( )		
5.	Less Off-System Transaction Revenues	( )		
6.	Less: Penalty/Imbalance Charge Revenues	( )		
7.	a. Less: "Cash-Out" Schedule Revenues	( )		
	b. Add: "Cash-Out" Schedule Costs	( )		
8.	TOTAL OTHER COSTS/REVENUES		81,121.63	SUM LINES 3 - 7
9.	TOTAL ACTUAL RECOVERABLE GAS COSTS FOR THE PERIOD MARCH 2004		\$ 439,040.33	Line 2 + Line 8
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